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GEORGE J. BUCKLWICZ
REGISTER OF DEEDS
DOUGLAS COUNTY, NE

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To: The First National Bank of Omaha
Commercial Loan Department
One First National Center
Omaha, NE 68102

PREFERRED EQUITYLINE TRUST DEED

THIS TRUST DEED made this 16th day of October, 1995, between Charles T. Hagel and Lillian Z. Hagel, Husband and Wife, Joint Tenants.

_____ hereinafter called "Trustor" whose mailing address is 14025 Lafayette Circle Omaha, NE 68154, First National Bank of Omaha, a National Banking Association, as "Trustee," and First National Bank of Omaha, a National Banking Association, as "Beneficiary."

WITNESSETH: That Trustor, in consideration of One Dollar (\$1.00) and other valuable consideration receipt whereof is hereby acknowledged, grants, conveys, sells and warrants to Trustee, jointly and severally, the following described property, situated in Douglas County, Nebraska:

LOT 16, LINDEN ESTATES, A SUBDIVISION, AS SURVEYED, PLATTED AND RECORDED IN DOUGLAS COUNTY, NEBRASKA.

The intention being to convey hereby an absolute title in fee simple, including all the rights of homestead and dower, together with all buildings, fixtures, improvements and appurtenances thereto belonging; and all of the foregoing, together with said property are herein referred to as the "Property."

FOR THE PURPOSE OF SECURING performance of each agreement and covenant of Trustor herein contained and the payment of the principal sum of TWO HUNDRED FIFTY THOUSAND & 00/100 Dollars (\$ 250,000.00), as evidenced by a Preferred Equityline Loan Agreement between Trustor and Beneficiary (the "LOAN AGREEMENT"), pursuant to which Beneficiary will advance funds to Trustor from time to time at the interest rates and upon the terms provided therein, together with any sum or sums of money with interest thereon which may hereafter be paid or advanced under the terms of this Trust Deed; both principal sum and interest thereon being payable according to the terms set forth in the Loan Agreement, reference to which is hereby made, at the office of the Beneficiary in Omaha, Nebraska, or at such other place as the Beneficiary may designate in writing. The obligations secured hereby include Trustor's obligation to request termination of the Loan Agreement prior to requesting a deed of reconveyance from Trustee.

TRUSTOR AND BENEFICIARY COVENANT AND AGREE AS FOLLOWS:

- 1. Warranty of Title.** Trustor warrants that the Property; if not good right and lawful authority to sell and convey the Property; the property is free and clear of all taxes, liens and encumbrances of record; and Trustor will warrant and defend the title to the Property unto the Trustee and its successors and assigns forever, against the claims of all persons.
- 2. Payment of Principal and Interest.** Trustor shall punctually pay the principal on, and interest on, all advances under the Loan Agreement and will punctually perform all agreements, conditions and provisions of any other security instrument given in connection with this transaction.
- 3. Preservation and Maintenance of Property.** Trustor will not commit any waste upon the Property and will, at all times, maintain the same in good order and condition and will make, from time to time, all repairs, renewals, replacements, additions and improvements which are reasonably required to prevent wear, impairment or deterioration of said property. No building or improvement now or hereafter erected upon the Property shall be altered, removed or demolished without the prior written consent of Beneficiary.
- 4. Insurance.** Trustor shall procure and Beneficiary shall approve by Beneficiary, insurance with respect to the improvements and personal property, consisting but not limited to fire, lightning, tornado, and other perils covered by standard extended coverage endorsement, in an amount equal to at least the full replacement value thereof and insurance against such other hazards and in such amount as is customarily carried by owners and operators of similar properties and as Beneficiary may require for its protection. Trustor will comply with such other requirements as Beneficiary may from time to time request for the protection of the interest of the respective parties. All insurance policies maintained pursuant to this Trust Deed shall name Trustor and Beneficiary as insureds, as their respective interests may appear, and provide that there shall be no cancellation or rescission without fifteen days prior written notification to Trustee and Beneficiary. In the event any policy hereunder is not renewed or expires (it is less than its expiration date, Trustor or Beneficiary may procure such insurance in accordance with the provisions of paragraph 4 hereof) or if either or Beneficiary the original policy of insurance and renewals thereof or memos copies of such policies and renewals are not furnished to Beneficiary by Trustor or renewals as required hereunder shall, at the option of Beneficiary, constitute a default. All moneys and proceeds are hereby assigned to Trustee as additional security and a sale and conveyance of the Property by the Trustee shall operate to secure the Trustor's interest in and to all policies of insurance upon the Trust Property.
- 5. Taxes and Assessments.** Trustor shall pay all taxes and special assessments levied or assessed against or due upon the Property before delinquency, and will reimburse Beneficiary for the cost of paying principal of such taxes and special assessments.
- 6. Additional Liens.** Trustor shall not pay any debt or principal and payments of any other charges, fees, and expenses contracted to be paid to any lender or holder of prior liens under any prior Trust Deed, Mortgage or other security agreement, before the date they are delinquent and as to any other claim which jeopardizes the security granted herein.
- 7. Protection of Beneficiary's Interest.** Should Trustor fail to make any payment or if any action or proceeding is commenced against Trustor or if any insolvency, arrangement for liquidation or bankruptcy is filed against Trustor, or if any contest or compromise any encumbrance, charge or lien, which in the judgment of attorney appears to affect said Property; in exercising any such powers the Beneficiary or Trustee may take any and all such steps, including disbursements of reasonable attorney's fees, which in their absolute discretion they may deem necessary to protect the interest of Beneficiary and Trustee. Trustor shall all the time maintain and pay taxes, and special assessments to make any payments to existing liens and other claims, the Beneficiary may procure such insurance and make such payments. A sums incurred or expended by Beneficiary in the exercise of the provisions of this Trust Deed are secured hereby and, without demand shall be immediately due and payable by Trustor and shall be added to the principal balance of any indebtedness secured hereby and, however, that at the option of Beneficiary, the same shall be added to the principal balance of any indebtedness secured hereby and shall bear the same interest rate as the debt secured hereby and shall be payable ratably over the remaining term thereof.

[Handwritten signature]